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Reading First

LAO Compromise

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Carryover Funds

- ☒ Since May Revise, CDE has identified an additional \$2.5 million in carryover funding, bringing total carryover funding to \$15.1 million.
- ☒ Consistent with Senate's action, LAO compromise sets aside approximately \$3 million in carryover funding for a new cohort.
- ☒ Consistent with Assembly's action, LAO compromise uses remaining carryover funding (approximately \$12 million) for new schools within already funded districts.

Defining and Applying "Significant Progress"

- ☒ Consistent with both houses, LAO compromise requires grant recipients to demonstrate significant progress, as defined in legislation, to continue receiving funding.
- ☒ Given uncertainty regarding the fiscal effect of requiring schools to demonstrate significant progress, LAO compromise includes a budget bill provision that would pro-rate fifth-year grants downward if funding is insufficient to maintain all grants at existing rates (which range from \$6,500 to \$8,000 per classroom).

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Budget Bill Language

Strike existing provisions 3, 4, 6, 7, and 8.

New Provision 3. Of the funds appropriated in this item, \$15,100,000 is carryover from prior years. Of this amount, approximately \$3,000,000 shall be used to fund schools in districts that have not yet received Reading First funding. After all eligible new applicants have been funded, the remainder of carryover funding shall be used to fund new schools in currently funded districts.

New Provision 4. After allocating carryover monies and redirecting monies to new schools from schools that have not demonstrated significant progress, if funding is insufficient to provide a minimum of \$6,500 per classroom, per classroom funding for fifth-year grantees shall be pro-rated downward.

New Provision 6. Significant progress, as used for determining whether a grant recipient shall continue to receive funding, shall be defined in legislation enacted during the 2005-06 Regular Session. The definition of significant progress, as specified in legislation, shall not discriminate against waived classrooms.

New Provision 7. By January 1, 2007, the State Department of Education shall electronically report to the Legislature for each school, identified by cohort, the K-3 test scores, by grade, in the year prior to it entering the program and in the most recently completed school year. These test data also shall be provided for eligible unfunded Reading First schools for the year prior to the implementation of Reading First and for the most recently completed school year. For each funded school, identified by cohort, the report also shall indicate: (1) whether the definition of significant progress was met, (2) its number of K-3 waived classrooms, and (3) its number of K-3 nonwaived classrooms.